



# **PUBLIC DISCLOSURE STATEMENT**

**ADAMANTEM CAPITAL**

**ORGANISATION CERTIFICATION**


**FY2022-23**

Australian Government  
**Climate Active**  
**Public Disclosure Statement**



An Australian Government Initiative



<b>NAME OF CERTIFIED ENTITY</b>	Adamantem Capital Services Pty Ltd (ACN 616 283 115) as the Trustee for Adamantem Capital Services Trust
<b>REPORTING PERIOD</b>	1 July 2022 – 30 June 2023 Arrears report
<b>DECLARATION</b>	<p><i>To the best of my knowledge, the information provided in this public disclosure statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.</i></p> <p>DocuSigned by:    2D2044BF946C483...</p> <p>Robert Koczkar  Managing Director, Adamantem Capital  30/10/2023</p>



**Australian Government**  
**Department of Climate Change, Energy,  
the Environment and Water**

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Version August 2023.

# 1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	607 tCO <sub>2</sub> -e
OFFSETS USED	100% ACCUs
RENEWABLE ELECTRICITY	100%
CARBON ACCOUNT	Prepared by: Pathzero
TECHNICAL ASSESSMENT	11/10/2023 Pathzero Next technical assessment due: FY2026
THIRD PARTY VALIDATION	Type 1 10/10/2023 GPP Audit

## Contents

1. Certification summary.....	3
2. Carbon neutral information.....	4
3. Emissions boundary.....	6
4. Emissions reductions .....	8
5. Emissions summary .....	9
6. Carbon offsets.....	11
7. Renewable Energy Certificate (REC) Summary .....	13
Appendix A: Additional Information .....	14
Appendix B: Electricity summary.....	15
Appendix C: Inside emissions boundary .....	18
Appendix D: Outside emissions boundary .....	18

## 2. CARBON NEUTRAL INFORMATION

### Description of certification

This inventory has been prepared for the financial year from 1 July 2022 to 30 June 2023 and covers the Australian operations of Adamantem Capital Services Pty Ltd (ABN 29 616 283 115) as Trustee for the Adamantem Capital Services Trust (ABN 93 429 395 925).

The operational boundary has been defined based on an operational control test, in accordance with the principles of the National Greenhouse and Energy Reporting Act 2007. This comprises the business operations of the Adamantem Capital private equity business which is controlled by the Adamantem Capital Services Trust. Melior Investment Management was originally included in the FY2018/19 certification however since FY2019/20 it is a separate certification.

This inventory does not include emissions of the companies owned by Adamantem Capital's managed funds.

The Greenhouse Gases (GHG) considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) and synthetic gases - hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>). These have been expressed as carbon dioxide equivalents (CO<sub>2</sub>-e) using relative global warming potentials (GWPs).

In FY2023, Adamantem Capital triggered a base year reset due to the inclusion of all Professional Services to the emissions boundary. Adamantem Capital underwent an additional technical assessment and type 1 third-party verification as part of the base year reset procedures set by Climate Active.

FY2023 is Adamantem Capital's new base year.

### Organisation description

Adamantem Capital is a private equity firm specialising in the Australia and New Zealand mid- market. We apply creative insights to identify high-quality investments and disciplined strategies to drive returns for investors. Adamantem raises capital to invest with conviction behind clear, well-articulated and meticulously researched value creation opportunities. With an exclusive focus on the mid- market, we tap into a strong flow of quality opportunities to invest in companies located in a strong, established economy with the upside potential of Asia.

We are resolute in our support of businesses and their stakeholders, but flexible in the way in which we approach each unique business partnership.

When we invest in a company, we partner with management teams on a strategic path to sustainable change, profitable growth and a better future beyond our stewardship. While investor returns are a key driver of our approach, we seek to deliver positive outcomes for all stakeholders, including the environment and broader community.

Great investment returns come from businesses which contribute to their communities. Investing responsibly is what we do, and evaluating Environmental, Social & Governance issues is a part of our risk assessment and mitigation framework for every investment opportunity.

Australian operations of Adamantem Capital Services Pty Ltd (ABN 29 616 283 115) as Trustee for the Adamantem Capital Services Trust (ABN 93 429 395 925) at the following location: Level 8, 167 Macquarie Street, Sydney, 2000, NSW

## 3.EMISSIONS BOUNDARY

### Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

**Quantified emissions** have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

**Non-quantified emissions** have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

### Outside the emissions boundary

**Excluded emissions** are those that have been assessed as not relevant to an organisation's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.

Inside emissions boundary		Outside emission boundary
<b><u>Quantified</u></b> <ul style="list-style-type: none"><li>• Accommodation</li><li>• Air travel</li><li>• Base buildings</li><li>• Carbon neutral products</li><li>• Cleaning services and chemicals</li><li>• Electricity</li><li>• Food and catering</li><li>• ICT services and equipment</li><li>• Office furniture</li><li>• Paper</li><li>• Postage and courier</li><li>• Printing and stationary</li><li>• Professional services</li><li>• Staff commuting</li><li>• Taxi and rideshare</li><li>• Telephone and internet</li><li>• Waste</li><li>• Water and wastewater</li><li>• Working from home</li></ul>	<b><u>Non-quantified</u></b> <p>N/A</p> <b><u>Optionally included</u></b> <p>N/A</p>	<b><u>Excluded</u></b> <p>Investments</p>

## 4. EMISSIONS REDUCTIONS

### Emissions reduction strategy

Adamantem has set the following GHG emissions targets:

- A target to maintain carbon neutral Scope 1 and Scope 2 emissions.
- A target to reduce absolute Scope 3 emissions (excluding financed emissions) by 5% by FY30 relative to the FY23 baseline year.
- A target to reduce Scope 3 emissions intensity (excluding financed emissions) per FTE staff member by 30% by FY30 relative to the FY23 baseline year.

A combination of absolute and intensity targets has been set to reflect both our commitment to emissions reduction but also our projected business growth to FY30. Our largest source of controllable emissions are business flights, which will increase as our business grows. While our business was successfully managed through video-conferencing during the COVID-19 pandemic, face to face meetings with our investors, investee businesses and broader network are fundamental to our ongoing success. We will work towards reducing both our absolute emissions and our per FTE flight intensity between now and FY30, but also recognise that these targets rely on the airlines meeting their decarbonisation goals.

### Emissions reduction actions

Most notably during the past 12 months we have been petitioning with our building management to improve their environmental efforts. During FY23 they have delivered a number of initiatives:

- Increased NABERS Energy rating to 3.5 stars (previously 3 stars).
- Increased NABERS Water rating to 2 stars (previously 1 star).
- Upgraded to LED lighting throughout the tower.
- Successfully rolled out an in-tenancy waste stream and organics bin systems.
- Removal of single-use plastic umbrella bags and replaced with microfiber cloth umbrella dryer.
- Rolled out of environmentally and socially sustainable soap and soap dispensers throughout the tower, in partnership with Two Good Co.

An important part of our approach to emissions reduction is engaging with our employees around emissions reduction opportunities. During the past 12 months Adamantem undertook the following employee awareness focused actions:

- Discussed Adamantem's sustainability performance with staff and encouraged staff to suggest sustainability initiatives.
- Held internally led climate-related deep dive research sessions for the Investment Team.



## 5. EMISSIONS SUMMARY

### Emissions over time

In FY2023, Adamantem Capital triggered a base year reset due to the inclusion of all Professional Services to the emissions boundary. Adamantem Capital underwent an additional technical assessment and type 1 third-party verification as part of the base year reset procedures set by Climate Active.

FY2023 is Adamantem Capital's new base year.

		Emissions since base year	
		Total tCO <sub>2</sub> -e (without uplift)	Total tCO <sub>2</sub> -e (with uplift)
Base year:	2022-23	607	N/A

### Significant changes in emissions

The increase in emissions between 2021-22 to 2022-23 is largely caused by flights resuming to pre-COVID levels, in particular the resumption of international travel and the inclusion of all professional services in our emissions boundary. Additionally, an increase in Adamantem's FTE and net lettable area has contributed to incremental increases across several emissions categories.

Adamantem recognise that our emissions have increased year on year. For multiple emissions sources, particularly air travel, this was a conscious business decision. We believe flying achieves better business outcomes and we are better able to execute our ambition to delivering outstanding financial returns alongside positive contributions to social and environmental outcomes. We are reliant on the government establishing robust national emissions reduction requirements and other businesses reducing their emissions to see a meaningful reduction in many of our largest emissions sources.

Emission source name	Previous year emissions (t CO <sub>2</sub> -e)	Current year emissions (t CO <sub>2</sub> -e)	Detailed reason for change
Air Travel	65.90	257.25	Travel has resumed to pre-COVID levels. With restrictions lessening due to the reduction in COVID19 impacts the emissions associated with Business Flights have organically grown.
Professional Services	9.72	197.48	Inclusion of all professional services in our emissions boundary.

## Use of Climate Active carbon neutral products, services, buildings or precincts

Certified brand name	Product/Service/Building/Precinct used
Energy Australia	Electricity

## Emissions summary

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a market-based approach.

Emission category	Sum of Scope 1 (t CO2-e)	Sum of Scope 2 (t CO2-e)	Sum of Scope 3 (t CO2-e)	Sum of Total Emissions (t CO2-e)
Accommodation and facilities	0.00	0.00	5.61	5.61
Base Building	0.00	0.00	56.75	56.75
Cleaning and chemicals	0.00	0.00	6.45	6.45
Climate Active carbon neutral products and services	0.00	0.00	0.00	0.00
Food	0.00	0.00	5.91	5.91
ICT services and equipment	0.00	0.00	24.49	24.49
Office equipment and supplies	0.00	0.00	5.56	5.56
Postage, courier and freight	0.00	0.00	0.26	0.26
Professional services	0.00	0.00	197.48	197.48
Staff commuting	0.00	0.00	15.95	15.95
Transport (land and sea)	0.00	0.00	3.54	3.54
Travel (Air)	0.00	0.00	263.82	263.82
Waste	0.00	0.00	12.87	12.87
Water and wastewater	0.00	0.00	1.56	1.56
Working from home	0.00	0.00	6.76	6.76
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>607.00</b>	<b>607.00</b>

## Uplift factors

N/A

## 6. CARBON OFFSETS

### Offsets retirement approach

This certification has taken an in-arrears offsetting approach. The total emission to offset is 607 t CO<sub>2</sub>-e. The total number of eligible offsets used in this report is 607. Of the total eligible offsets used, 0 were previously banked and 607 were newly purchased and retired. 0 are remaining and have been banked for future use.

### Co-benefits

The ACCUs were retired from the Wiralla Regeneration Project. The Kullilli Bulloo River Aboriginal Corporation have a partnership with the Land Manager at Wiralla located in Southwestern Queensland. The ACCUs in this transaction are owned by the Kullilli Bulloo River Aboriginal Corporation and therefore all proceeds from the sale go directly to the corporation enabling continued investment into their community.

## Eligible offsets retirement summary

Offsets retired for Climate Active carbon neutral certification											
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity retired (tCO <sub>2</sub> -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	Percentage of total (%)
Wiralla Regeneration Project	ACCUs	ANREU	13 October 2023	3,807,593,973 - 3,807,594,579 (ERF116713)	2020-21		607	0	0	607	100%
<b>Total eligible offsets retired and used for this report</b>										607	
<b>Total eligible offsets retired this report and banked for use in future reports</b>										0	

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total
Australian Carbon Credit Units (ACCUs)	607	100%

## 7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

### Renewable Energy Certificate (REC) summary

N/A

# APPENDIX A: ADDITIONAL INFORMATION

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**Australian Government**  
Clean Energy Regulator



13 October 2023

VC202324-00312

To whom it may concern,

### Voluntary cancellation of units in ANREU

This letter is confirmation of the voluntary cancellation of units in the Australian National Registry of Emissions Units (ANREU) by ANREU account holder, Climate Friendly Financial Solutions Pty Limited (account number AU-2980).

The details of the cancellation are as follows:

<b>Date of transaction</b>	13 October 2023
<b>Transaction ID</b>	AU30181
<b>Type of units</b>	KACCU
<b>Total Number of units</b>	607
<b>Serial number range</b>	3,807,593,973 - 3,807,594,579
<b>ERF Project</b>	Wiralla Regeneration Project - ERF116713
<b>Vintage</b>	2020-21
<b>Transaction comment</b>	Retired on behalf of Adamantem Capital Services Pty Limited ATF Adamantem Capital Services Trust to offset the FY23 operational emissions of the business

Details of all voluntary cancellations in the ANREU are published on the Clean Energy Regulator's website, <http://www.cleanenergyregulator.gov.au/OSR/ANREU/Data-and-information>.

If you require additional information about the above transaction, please email [CER-RegistryContact@cer.gov.au](mailto:CER-RegistryContact@cer.gov.au)

Yours sincerely,

David O'Toole  
ANREU and International  
NGER and Safeguard Branch  
Scheme Operations Division  
Clean Energy Regulator  
[registry-contact@cer.gov.au](mailto:registry-contact@cer.gov.au) [www.cleanenergyregulator.gov.au](http://www.cleanenergyregulator.gov.au)



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## APPENDIX B: ELECTRICITY SUMMARY

There are two international best-practice methods for calculating electricity emissions – the location-based method and the market-based method. Reporting electricity emissions under both methods is called dual reporting.

Dual reporting of electricity emissions is useful, as it provides different perspectives of the emissions associated with a business's electricity usage.

Location-based method:

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based method:

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

For this certification, electricity emissions have been set by using the market-based approach.

Market Based Approach Summary			
Market Based Approach	Activity Data (kWh)	Emissions (kg CO2-e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	0	0	0%
<b>Total non-grid electricity</b>	<b>0</b>	<b>0</b>	<b>0%</b>
LGC Purchased and retired (kWh) (including PPAs)	0	0	0%
GreenPower	0	0	0%
Climate Active precinct/building (voluntary renewables)	0	0	0%
Precinct/Building (LRET)	0	0	0%
Precinct/Building jurisdictional renewables (LGCs surrendered)	0	0	0%
Electricity products (voluntary renewables)	22,956	0	81%
Electricity products (LRET)	5,315	0	19%
Electricity products jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	0	0	0%
Residual Electricity	0	0	0%
<b>Total renewable electricity (grid + non grid)</b>	<b>28,271</b>	<b>0</b>	<b>100%</b>
<b>Total grid electricity</b>	<b>28,271</b>	<b>0</b>	<b>100%</b>
<b>Total electricity (grid + non grid)</b>	<b>28,271</b>	<b>0</b>	<b>100%</b>
Percentage of residual electricity consumption under operational control	100%		
<b>Residual electricity consumption under operational control</b>	<b>0</b>	<b>0</b>	
Scope 2	0	0	
Scope 3 (includes T&D emissions from consumption under operational control)	0	0	
<b>Residual electricity consumption not under operational control</b>	<b>0</b>	<b>0</b>	
Scope 3	0	0	

<b>Total renewables (grid and non-grid)</b>	<b>100.00%</b>
<b>Mandatory</b>	<b>18.80%</b>
<b>Voluntary</b>	<b>81.20%</b>
<b>Behind the meter</b>	<b>0.00%</b>
<b>Residual scope 2 emissions (t CO2-e)</b>	<b>0.00</b>
<b>Residual scope 3 emissions (t CO2-e)</b>	<b>0.00</b>
<b>Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e)</b>	<b>0.00</b>
<b>Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e)</b>	<b>0.00</b>
<b>Total emissions liability (t CO2-e)</b>	<b>0.00</b>

Figures may not sum due to rounding. Renewable percentage can be above 100%



Location Based Approach Summary						
Location Based Approach	Activity Data (kWh) total	Under operational control			Not under operational control	
Percentage of grid electricity consumption under operational control	100%	(kWh)	Scope 2 Emissions (kg CO2-e)	Scope 3 Emissions (kg CO2-e)	(kWh)	Scope 3 Emissions (kg CO2-e)
ACT	0	0	0	0	0	0
NSW	28,271	28,271	20,638	1,696	0	0
SA	0	0	0	0	0	0
VIC	0	0	0	0	0	0
QLD	0	0	0	0	0	0
NT	0	0	0	0	0	0
WA	0	0	0	0	0	0
TAS	0	0	0	0	0	0
<b>Grid electricity (scope 2 and 3)</b>	<b>28,271</b>	<b>28,271</b>	<b>20,638</b>	<b>1,696</b>	<b>0</b>	<b>0</b>
ACT	0	0	0	0		
NSW	0	0	0	0		
SA	0	0	0	0		
VIC	0	0	0	0		
QLD	0	0	0	0		
NT	0	0	0	0		
WA	0	0	0	0		
TAS	0	0	0	0		
<b>Non-grid electricity (behind the meter)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Total electricity (grid + non grid)</b>	<b>28,271</b>					

<b>Residual scope 2 emissions (t CO2-e)</b>	<b>20.64</b>
<b>Residual scope 3 emissions (t CO2-e)</b>	<b>1.70</b>
<b>Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e)</b>	<b>0.00</b>
<b>Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e)</b>	<b>0.00</b>
<b>Total emissions liability (t CO2-e)</b>	<b>0.00</b>

### Climate Active carbon neutral electricity products

Climate Active carbon neutral product used	Electricity claimed from Climate Active electricity products (kWh)	Emissions (kg CO2-e)
<i>Energy Australia</i>	28,271	0
<i>Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their electricity product certification. This electricity consumption is also included in the market based and location based summary tables. Any electricity that has been sourced as renewable electricity by the electricity product under the market based method is outlined as such in the market based summary table.</i>		

## APPENDIX C: INSIDE EMISSIONS BOUNDARY

### Non-quantified emission sources

N/A

## APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

### Excluded emission sources

The below emission sources have been assessed as not relevant to this organisation's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions.
2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.
3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
5. **Outsourcing** The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.

## Excluded emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Investments within Adamantem Capital managed funds	Y	N	N	N	N	<p><b>Size:</b> The emissions from all companies within Adamantem Capital's managed funds are likely to be significantly greater than that of Adamantem's investment management business.</p> <p><b>Influence:</b> The senior management teams of the companies owned by Adamantem Capital's managed funds are responsible for setting and implementing strategies to influence the reduction of these companies' emissions.</p> <p><b>Risk:</b> The emissions from the companies within Adamantem Capital's managed funds do not contribute to the Adamantem Capital Services Trust's organisational greenhouse gas emissions exposure.</p> <p><b>Stakeholders:</b> Key stakeholders in our industry appreciate the distinction between the organisational greenhouse gas emissions arising from our day to day business operations and the emissions related to the investments within Adamantem Capital's managed funds. The investments within the Adamantem Capital fund portfolios are not considered a relevant source of emissions for the measurement of "organisational" emissions only (as per the Climate Active certification for organisations).</p> <p><b>Outsourcing:</b> The activities of the companies within the Adamantem Capital fund portfolios have never been carried out by the Adamantem business.</p>

We note that our relevance testing is consistent with FY22, but we will continue to monitor changing guidance and expectations in future years.



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